

**AT A SPECIAL MEETING OF THE CITY COUNCIL OF THE CITY OF HAMPTON, VIRGINIA,
HELD IN THE COUNCIL CHAMBERS, EIGHTH FLOOR, CITY HALL, 22 LINCOLN STREET,
ON WEDNESDAY, APRIL 27, 2005, AT 2:00 P.M.**

The meeting was called to order by the Mayor, and upon a roll call, the following answered as present: Randall A. Gilliland, Angela Lee Leary, Charles N. Sapp, Joseph H. Spencer, II, Turner M. Spencer, Rhet Tignor, and Ross A. Kearney, II, Mayor.

Interim City Manager Jesse T. Wallace and City Attorney A. Paul Burton were also present.

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05-0235: Briefing on Virginia Federal Area Development Authority

Mr. Brian DeProffio, Assistant to the City Manager, briefed Council concerning an ordinance creating the City of Hampton, Virginia Federal Area Development Authority, explaining that this authority would operate like an industrial development authority. Councilman Turner Spencer asked Mr. DeProffio if the federal area is defined as any property within the City of Hampton. Mr. DeProffio explained that the legislation was originally drafted to be accessed by all localities in the Commonwealth, however, the General Assembly wanted it to be Hampton specific and rewriting the legislation as it went through committee allowed us to operate on any military facility or federal facility in the Commonwealth, although, we will focus on the City of Hampton. Mr. DeProffio stated that any name can be given to the authority as long as it includes the term "development authority" at the end, and he suggested that Council consider appointment of representatives such as military contractors and developers as well as educational institutions that deal with NASA. In response to questions posed by Council, Mr. DeProffio stated that having the authority in place prior to the Base Realignment and Closure list places Hampton in a proactive posture. Councilman Gilliland agreed with the Mayor that Council should move quickly. In response to a request from Councilman Sapp, Mayor Kearney requested that the Interim City Manager develop a set of criteria stating the skills required.

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05-0236: Briefing on Incubator

The Interim City Manager stated that the report on the Incubator is in response to Councilman Sapp's presentation at the March 23, 2005, meeting regarding the New Economy. He noted that the Incubator is a part of the New Economy. Mr. Jimmy Eason, Director of Economic Development Department, briefed Council noting four important issues regarding the Incubator - emerging opportunities, the role the incubator plays relative to the emerging

opportunities in the New Economy, how to approach these opportunities and who will be responsible.

Councilman Sapp stated he met with the Economic Development Department to exchange ideas about incubators. It became apparent that many variables are involved and that it may be premature to make a final decision on the incubator. However, everyone agreed that an incubator is needed. One suggestion was to co-locate the incubator with the National Institute of Aerospace (NIA) facility, which will soon be up and running. An alternative proposal is a virtual incubator. Co-locating the incubator with the NIA facility would be more synergistic; however, the real estate is more expensive. Hampton is not blessed with unlimited resources and strategic decisions will have to be made prior to moving forward with the incubator. Councilman Sapp stated a proposal has been recommended that would allow us to keep the Incubator viable by putting it in a less expensive location, allowing us to put off a final decision for a year. It would be a viable option to meet everyone's needs for the short term. Mr. Eason stated that the cost recommendation from the Industrial Development Authority (IDA) is \$50,000 to continue the funding of the Hampton University Incubator and \$100,000 for the Hampton Roads Technology Incubator. To fund the cheapest alternative adds another \$80,000 to \$85,000 to the budget.

Councilman Gilliland stated that the Hampton Roads Incubator Board is looking for a commitment to keep the incubator funded and the previous IDA decision for \$100,000 for one year was not enough to keep the Incubator going. In response to Councilman Gilliland's question, Mr. Eason commented on the benefits of locating the incubator at 144 Research Drive on a one-year basis and noted there is room there to expand. Councilman Gilliland suggested that two members of Council be assigned to work with the Economic Development Department and the Hampton Roads Technology Council and stated that he would like to work with Councilman Sapp on this project.

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05-0238: Closed Session

On motion of Vice Mayor Joseph Spencer, seconded by Councilman Tignor, that the City Council meet in Closed Session as provided in Section 2.2-3711A.1, 3, 6 and 7 of the Code of Virginia to consider an appointment to the Hampton Clean City Commission; to discuss proposals for the Armory building; and to receive legal briefings relative to: (1) acquisition of real property for a public purpose; (2) disposition of publicly held real property in the Downtown Hampton area; (3) modifications to our communications system required by the Federal Communications Commission; (4) purchase of equipment pertaining to the Convention Center;

(5) a litigation pertaining to a personnel matter; (6) a personnel matter pertaining to administrative and criminal investigations; (7) consideration of investment of public funds where competition or bargaining is involved where, if made public initially, the financial interests of the governmental unit would be adversely affected; (8) discussion of acquisition and disposition of public property in industrial parks; and (9) a personnel matter pertaining to the Interim City Manager.

A roll call vote results as follows:

Ayes: Gilliland, Leary, Sapp, JSpencer, TSpencer, Tignor, Kearney.

Nays: 0

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05-0242: Resolution Certifying Closed Session

WHEREAS, the City Council of the City of Hampton, Virginia, has convened a closed session on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3712D of the Code of Virginia requires a certification by the City Council of the City of Hampton, Virginia, that such closed meeting was conducted in conformity with Virginia Law;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Hampton, Virginia, hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed session to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed, or considered by the City Council of the City of Hampton, Virginia.

On motion of Vice Mayor Joseph Spencer, seconded by Councilman Sapp, that the above resolution certifying the closed session as provided in Section 2.2-3711.A.3. 6 and A.7 of the Code of Virginia to discuss proposals for the Armory building; and to receive legal briefings relative to: (1) acquisition of real property for a public purpose; (2) disposition of publicly held real property in the Downtown Hampton area; (3) modifications to our communications system required by the Federal Communications Commission; (4) purchase of equipment pertaining to the Convention Center; (5) a litigation pertaining to a personnel matter; (6) a personnel matter pertaining to administrative and criminal investigations; (7) consideration of investment of public funds where competition or bargaining is involved where, if made public initially, the financial interests of the governmental unit would be adversely affected; (8) discussion of acquisition and disposition of public property in industrial parks; and (9) a personnel matter pertaining to the Interim City Manager, be approved.

A roll call vote on the motion resulted as follows:

Ayes: Gilliland, Leary, Sapp, JSpencer, TSpencer, Tignor, Kearney

Nays: 0

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05- 0245: Change in the City's Communications System

The City Attorney requested that Council approve authorization for the City of Hampton to enter into contracts with Atlantic Communications, the Baller Herbst Law Group, P.C. and an engineering firm for conducting the rebanding requirements to change our communications systems.

On motion of Councilman Tignor, seconded by Councilman Turner Spencer, that the City Attorney be authorized to enter into contracts with Atlantic Communications and Baller Herbst Law Group, P.C. to change the communications systems.

A roll call vote on the motion resulted as follows:

Ayes: Gilliland, Leary, Sapp, JSpencer, TSpencer, Tignor, Kearney

Nays: 0

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05-0266: Hampton Roads Planning District Commission - Third Crossing of Hampton Roads

Councilman Gilliland informed Council that the Hampton Roads Planning District Commission (HRPDC) has been discussing plans concerning the third crossing. He stated that there are two transportation packages before HRPDC which are nearly identical. The only difference is that one includes a Third Crossing which would require tolls plus a 13.15 cent gas tax or a 0.94% sales tax. The Hampton Road Bridge Tunnel (HRBT) package would require tolls plus a 3.80 cent gas tax or a 0.27% sales tax. Councilman Gilliland believes that the Transportation Referendum failed for the following reasons:

- the HRBT was not part of the package
- lack of confidence in the Virginia Department of Transportation (VDOT) and HRPDC to administer a multi-billion dollar road program
- sales tax was not perceived to be the appropriate funding solution
- sense that the state should shoulder this burden

Councilman Gilliland stated that the tolls will be unpopular and the chance of the legislature passing a gas tax are unlikely, and he suggested that Council propose the following:

- Have HRPDC staff conduct an economic impact analysis of the port and intermodal transportation on the region

Take the economic analysis to state officials to prove the premise that the port and intermodal transportation are state economic engines more than regional economic engines

Offer the following “compromise” to state officials: If the state will fund the elements of the 2030 Transportation Plan that are port and intermodal related, we as a region will craft a solution to the regional elements of the transportation plan to include the HRBT.

In response to Councilman Turner Spencer’s question, Councilman Gilliland stated that a fiscally constrained plan has to be in place later this year. Councilman Sapp stated that Virginia Modeling and Simulation Center sponsored a study that was published last month. The study looked at the region and constraints that were in place that kept us from growing in the transportation area, constraints which have Commonwealth-wide implications.

Vice Mayor Joseph Spencer asked if the HRBT has been eliminated as a Third Crossing, and Councilman Gilliland stated that only one package of the two packages includes the HRBT and the other does not. The cost difference is about \$2 billion.

Councilman Tignor stated that Hampton must have an HRBT improvement. The Monitor and Merrimac third crossing does not benefit the City of Hampton and does not relieve the traffic on the HRBT. He stated that we need to ensure that the HRBT remains in the conversation.

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Selection of City Manager

The City Attorney stated that the contract for employment of the consultant for the selection of a new City Manager has been signed and the notice to proceed was issued on Tuesday, April 26, 2005.

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Code Violation Notification

Councilwoman Leary stated that Council received letters from citizens following Hurricane Isabel regarding damage to their properties and the City had issued violations. Mr. Shapiro, Mr. Burton and Councilman Leary provided Council with proposed policy changes regarding code violation notifications stating that if a violation is not corrected within 45 days of the inspection, the City of Hampton Codes and Compliance Department will notify both the property owner as well as the contractor as to the status of the project. Councilwoman Leary wanted the Council to be aware of the policy. The Interim City Manager stated that he concurs with the change in policy. The City Attorney stated that this is for information only and no action by Council is required.

Adjournment

There being no further business to come before the Council, the meeting was adjourned at 6:25 p.m.

Ross A. Kearney, II
Mayor

Katherine K. Glass
Clerk of Council

Dated approved by Council _____